Financial Management - Payments - Selected Text Responses

Since your Agency operates its own financial system, please describe the process you use to reconcile your Agency's payment information with CARS.		Response Percent	Response Total
			23
	Reconcile payment info to program,cost center, subobject and fund levels between FMS and CARS monthly. This process is initiated through FINDS/FMS file download into an Access dbase comparison written by Central Office internal audit. Any discrepancy is then researched and appropriate journal entry or action taken.		
	We compare weekly/monthly and quarterly reports with CARS reports and reconcile any differences if needed.		
	All reconciliations required by DOA are performed monthly. FINSYS reports are generated to easily identify reconciling items. Adjusting entries are made. Reconciliations are fully documented and signed for electronically to DOA as completed.		
	Weekly 401 payment information is reconciled to FMS log. Monthly automated reconciliation of FMS to CARS at fund/program/cost center/project/ and object level.		
	Perform a monthly reconciliation of FMS to CARS. This reconciliation is signed off by the appropriate management staff and submitted to DOA.		
	Check transmittal listings daily. Check internal agency reports. Correct CARS error file as needed. Expenditures per the in house system are reconciled to expenditures per CARS each month.		
	Monthly support documents taken from each system - CARS and internal systems - are reconciled to each other and discrepancies resolved.		
	A weekly automated download from CARS toUNIX to automatically match to our FMS.		
	Reconcile income and expenses to CARS from Quick Books		
	Custom reports that identify discrepancies - manual effort to research & resolve.		
	We download revenue and expenditures from CARS to in-house accounting system, then reconcile balances by account code from AAS reports to CARS reports using an excel spreadsheet.		
	* Weekly reconciliation with CARS 401 for each transaction. * Monthly reconciliation of total expenditure by element code.		
	Compare vendor payment batch totals in CARS to vendor payment batch totals in internal system		
	Automated reconciliation by fund, program, object. Weekly reconciliation comparing CARS reports and payment vouchers.		
	Reconciliation is performed using a comparitive analysis of FAAS information through the CARS Interface process. FAAS details are reconciled to Interface details prior to submission to CARS. Payment information is posted to CARS overnight and a reconciliation is performed each morning between FAAS data and CARS data. Additionally, source documenation is reconciled via the transmittal notifications and original source documentation.		
	Review CARS 1408 report for ytd expenditures. From 402 report, reconcile CARS trial to Syteline, for cash. Account for payroll entries, journal entries. Compare YTD expenditures Syteline vs. CARS, list YTD reconciling items.		

6/10/2005   FINAL

	The trial balance for Oracle Financials is reconciled to the CARS trial balance monthly. All reconciling items are investigated and resolved through adjustment by the Reporting Section.		
	Balance to Oracle. This information is sent electronically to CARS. Any errors in the batch process will appear on the CARS Error File. Reconcile by Fund, program and object code.		
	Monthly reports generated from CARS and FMS II are used to reconcile by fund / program and general ledger account.		
	Monthly download FINDS data and upload database records into a compilator that identifies any differences.		
	Agency reconciles monthly. Reconcile all transactions by fund, program,equip/object, project, revenue code. Transactions reconcilled to 402, 408 and FINDS reports.		
	Detailed reconciliation for each grant by fund, for cash, revenues and expenditures by program, sub-program; revenues to federal catalogue number, benefits paid by cost code to CARS data. Three way reconciliation to state (CARS), federal (SESA) and fund ledger system. Federal system for the Trust Fund reconciled to CARS and SESA.		
	Transactions detail entered in our system and transmitted to CARS is compared to what detail posted in CARS via a report that shows any exceptions. The report is reviewed and used for producing the monthly CARS reconciliation report sent to DOA. The system is a front end load to CARS. CARS keeps our general ledger.		
	Total # of respondents **41**. Statistics based on **23** respondents; **0** filtered; **18** skipped.		

What steps in the process (reciept of an invoice and distribution of payment) have the longest elapsed times?		Response Percent	Response Total
			38
	Distribution of payment is driven by calculated due date regardless of receipt of invoice and goods/services. Generally, DOA requires 7-10 business days to process payment and for check to be issued by Treasury on due date. We comply with the Prompt Payment Act.		
	Getting invoice approvals/matching P.O. and/or contract and verifying receipt of materials, merchandise, or services in accordance with contract terms.		
	After we complete processing until the check is cut. This is because prompt pay wants us pay as close to 30 days as possible without going over. – Good Cash Management.		
	After the file transmittal has been received by DOA until the payment is distributed.		
	Untimely completion and forwarding of receiving reports to Accounts Payable.		
	Gathering receipts/receiving documents from field staff		
	Obtaining receiving reports from the field locations.		
	Distribution of payment		
	distribution of payment.		
	Payments are processed through DOA - we get the invoice to them within a day or two of received it.		
	Obtaining the necessary approvals. Note - the above elapsed days indicates the days to recordation, not payment, since due dating controls payment timing and is subject to prompt pay requirements.		
	The time between receipt of an invoice and final approval for payment.		
	Receiving documentation or clarifications if documentation is insufficient to process.		
	From the time CARS receives the interface until the check is cut.		
	Obtaining authorization to pay.		
	Depends on receiving in eVA - which is the actual answer to number 9. However, it will not allow comment.		
	Vendor payments subject to the Prompt Payment Act, longest time is from posting to CARS to the time of checkwrite due to due date requirement by DOA. For grant reimbursements, the longest time is the review and approval process by engineers and planners to assure compliance with grant agreement.		
	Making sure all information is received from staff before payment is issued.		
	The longest elapsed time is when payments are held until the 30 day due date. Other steps are handled quickly through DMME's ERP. DMME's ERP accounts payable module has internal controls which ensure all invoices entered are submitted for payment in accordance with Virginia's Prompt Payment Act.		
	holding invoice until due date		
	Distribution of payment		
	System time to reach designated due date if keyed into CARS within 5 business days of receipt of invoice or document preparation and processing if keyed in CARS within 10 business days of designated due date.		
	DEQ adheres to the Prompt Payment Act. Elapsed time depends on the receipt of good and services.		

	The longest elapsed times are noted in two main areas: 1) Invoice receipt by various units and the time the invoice is approved, forwarded, and received by Finance 2) A considerable amount of time is typically taken between approval the invoice for payment to CARS issuing the actual check. The payments are in a state of pending the due date to disburse.		
	Obtaining receiving reports. Keying and reviewing CARS print screens		
	resolving discrepencies, if any.		
	When we send invoices to appropriate sections for approval. Sometimes it takes WAY too long for A.P. to receive it back.		
	Review and approval of the invoice by the contract monitor takes most of the elapsed time.		
	Reciept of invoice from agency end user.		
	Invoicess from purchase orders must be received and authorized.		
	Elapsed time varies according to payment type. Large dollar contract payments have more levels of review / approval. Other more routine payments may be entered quickly, and are held at DOA pending due date.		
	Release of payment after keyed into CARS, in conjunction with Prompt Payment Act.		
	Capital outlay payments that involved pass through of federal funds from another agency or new vendor (need W-9).		
	Time voucher is keyed to check written.		
	Gathering documentation		
	In-house review ...workload & timing issue		
	Time from the receiving office to the central accounting office in Richmond		
	Distribution of payments have the longest elapsed time as most invoices are processed within two business days of receipt; payments are distributed by DOA after VDH central office has released the batches for payment.		
	Total # of respondents **41**. Statistics based on **38** respondents; **0** filtered; **3** skipped.		

6/10/2005   FINAL

If you do not have an automated 1099 process, what is the level of effort required (in man-hours) to perform this process?		Response Percent	Response Total
			15
	100 hours each year		
	2 1/2 weeks per year		
	2 weeks		
	approximately 50 hours.		
	Done by DOA		
	DOA - 6-8 hours Treasury - 24 hours		
	N/A		
	16 hours		
	we use a combination of manual procedures & QuickBooks; about 10 man-hours		
	20 to 25 hours to complete this process.		
	VCE's 1099's are included with the Department of Corrections filing. VCE reviews AMEX reports, and CARS reports throughout the year. Total time required is approximately 40 hours/yr to compile data.		
	Totals per vendor are pulled from the Excel Financial Log using a pivot table. The totals are transferred to a 1099 form with a typewriter. Level of effort is equal to approx. 2 days.		
	32 hours		
	n/a		
	We do not process 1099s at the district level.		
		Total # of respondents **41**. Statistics based on **15** respondents; **0** filtered; **26** skipped.	

What elements of the current processes for all types of payments could be improved to significantly better serve Commonwealth personnel or payees?		Response Percent	Response Total
			30
	There is no sense of outstanding obligations made on behalf of the commonwealth. As everything is "cash" based, you only know your expense as it is paid.		
	N/A		
	A fully integrated business enterprise system linking all financial aspects of operations. Accounting, reporting, payroll, fixed assets, budgeting, human resources, receivables, collections, purchasing, etc. and gives management the information needed.		
	If more vendors were sold on accepting the AMX charge card the process would better serve the Commonwealth and payees. Our current FMS II system is extremely effecient in processing payments to all payees and serves the Commonwealth in a very effiecint manner.		
	CARS could use some enhancements to simplify vendor edit and descriptor field usage		
	More EDI payment to State Agencies and vendors.		
	difficult to get vendor history from CARS		
	n/a		
	Better financial system (CARS) that is web-based, real time and easier to use.		
	Reasonableness edits to validate entered due dates.		
	Terminate EVA and AMEX processes. With the current imaging capability an electronic transmittal could include a copy of the vendors invoice that is being paid by the check. File sharing between business partners could exchange information that would help vendors track their receivables. Also if the treasure and comptroller could combine all payments across all agencies to each individual vendor this would reduce the number of checks written and simplify the reconcilation process for the vendors.		
	See my comments above regarding the duplication of vendor information in the vendor edit table. Getting W9s from vendors is a real hassle.		
	If the process is automated beyond CARS, such as in house accounting system, or future upgrades to CARS or a new Statewide accounting system, something strongly needs to be done regarding the paper trail required by both APA and DOA. If there are system controls in place and can be verified during an audit, these two agencies must allow this and electronic signatures, etc. to suffice as documentation. We are really being inefficient due to tick marks or writings on pieces of paper, that really do not effect the true accountability of proper payments.		
	No suggestions		
	We have no suggestions to make at this time.		
	Consider a centralized electric utility payment process for the state's largest utility providers. This could result in avoidance of late payment fees and possibly a discount on utility rates if payments could be quickly made.		
	interagency payments		
	Have an automated system in DOA where IAT's are processed and each agency cannot change the other's coding. Wire transfers procedures should be improved.		

FINAL

	Decrease the paper required for processing. Allow electronic signatures for travel and signature cards.		
	Mandatory requirement for EDI payments		
	n/a		
	If the Dept of Treasury would put more information on the check stubs for vendors to correctly credit our accounts.		
	1. Mandatory EDI payments to all eligible vendors 2. Electronic submission of invoices from vendors		
	--		
	Some way the vendors could check to see when payment was made with check number or transfer number to track it rather than calling accounts payable. Employees can sign up for this service.		
	Cut check 2 days earlier so vendor will have check by due date. Have web site so vendor can review status of payment.		
	None known		
	None known.		
	More vendors signed up for EDI. Electronic receiving. Automatic comparison of invoice to order, receiving report, and checking of price extension. Electronic invoicing by vendors.		
	Keying vouchers directly into CARS would decrease processing time for vendor payments		
Total # of respondents **41**. Statistics based on **30** respondents; **0** filtered; **11** skipped.			

Please list up to 5 opportunities for improvement to the Payment process.	Response Percent	Response Total
		27
Change interface process to CARS to be summary level only and let detail from FMS go to Treasury direct would eliminate some detailed reconciliation		
N/A		
Paperless process using document imaging. eVA purchasing processes to automated payment processes without an administrative strain on the agencies.		
1. EDI payments 2. AMX charge card		
More EDI payment to State Agencies and vendors.		
easier way to track vendor history		
n/a		
Easier system to look up vendors. Drill down capablities to look up payments made by object code, fund or cost code. Real time processing instead of batch. eVA improvements regarding vendor's registered in system. New financial records system.		
Intergration with purchasing		
See #40 above		
Better ability to query and receive reports on vendor payments without going to FINDs download.		
Automated interface between purchasing and accounts payable so information is not duplicated.		
The system as it currently stands provides agency/vendor payments in a timely manner.		
None.		
New process for handling IAT's More AdHoc reporting capabilities for agencies Electronic invoices accepted for payment		
Online requsition process		
1) Removal of the mandatory pre-audit process at DOA. 2) Increased flexibility for early release payments requested by vendors		
* require vendors/employees to get paid electronically. Morepayments could be made via AMEX if they weren't required to go through eVA. Not cost effective to take time on logs and push through a slow eVA system.		
More help keying invoices, etc. for payment. ie: part-time employee to full-time employee) Have the time & manpower to utilize the vendor edit table and keep it current. I am currently just trying to keep my head above water with the invoices. Have time and manpower to keep W-9 Forms completed and up-to-date.		

If A.P. part-time was made into full-time, she could then do the posting of batches to our own Excel control log to free up other VDVS personnel.
If A.P. part-time was made full-time, we could better audit our batches before filing them away to look for any errors that may have been made.

Payment processing training conducted by DOA would be helpful.

1. Electronic Invoice Submission
2. Streamline approval process
3. Mandatory EDI
4. Better interaction between purchase and
    payment process

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A system that would key on invoice number before payment is made, avoiding duplicate payments. Encumbering of purchase orders so actual amount left in budget is readily available-now done manually, if at all. Track of invoices and travel through the system from date received through date payment made.

Easier method for reocurring payments
Edit to check for duplicate payments

None known.

1) Integrate the procurement, ordering, receiving and payment system.
2) Capability for immediate payment to vendor (real-time) by EDI.

Incorporation of an electronic invoice/voucher tracking system that interfaces with the VDH
financial and administrative system.

Total # of respondents **41**. Statistics based on **27** respondents; **0** filtered; **14** skipped.

Are there any specific state or federal laws or regulations that would make it difficult to reengineer this business process? If so, please provide the relevant citation.	Response Percent	Response Total
Yes	33.3%	12
No	66.7%	24
Comments		17
Decentralization standards from DOA and availability for FOI requests or availability for audit		
CAPPM/Travel Regulations		
CAPP Manual requirements and requirements for Fiscal operations in the Code of Virginia.		
CAPP Manual, Procurement regulations, Code of Virginia regarding payments		
Electronic Commerce Act, Prompt Payment Act		
All Capp Manual requirements would need consideration, legislation if changes to Prompt Pay Act. Reworking Decentralized audit requirements bby DOA.		
Need to consider Federal Cash Management Act requirements		
prompt pay act		
Not known.		
The CAPP Manual would also require reengineering to succeed		
Unknown		
Process is structured to meet compliance with State CAPP Manual.		
Federal Grants		
Compliance with FHWA, FAR, FEMA		
Payments for federal grants must be in approved budget and an allowable federal expenditure		
Federal accounting and reporting requirements		
None known.		
Total # of respondents **41**. Statistics based on **38** respondents; **0** filtered; **3** skipped.		

If you have any other concerns or comments about this functional area, please include them here.		Response Percent	Response Total
			22
	FTE's reported in 41 above were included in FTE data reported in Accounting survey response		
	N/A		
	None		
	This agency process invoices for four (4) state agencies.		
	none		
	Once again .... the Commonwealth of Virginia must updated the CARS/FATS system. Need to keep up with financial technology as business and industry does. Many productivity issues due to the outdated systems currently being used.		
	Before we were mandated to use EVA and Amex we were described as one of the best accounting systems in the U.S. With the dilution and complexity added by eva and amex we can now be noted as one of the most confusing systems in the U.S. A high price to pay for the ego of administration officials.		
	Mandatory requirements for small agencies use of Amex purchasing card should be eliminated. The process is more cumbersome than the normal payment process and opens up more potential for errors and is not efficient. Due to the small volume of vendor payments, this would not impact any savings that is supposed to be achieved statewide on check processing or EDI.		
	It would be very helpful if there was some way to identify the individual vendors being paid by AMX thru CARS. It is very difficult to analyze detailed expenditures from reports when the payee shows AMX all the time.		
	None.		
	Must provide an automated means to pass oracle financials invoice data.		
	The staffing requirements above reflect Purchasing and Accounting staff only. They exclude field staff who must receive all PO line items in Syteline. All modules are integrated in our system.		
	N/A		
	In addition to the manual vendor 1099 issued that this process focuses on TAX issues automated 1099G mandated by IRS to go to those individual taxpayers who filed with itemized deductions and got a Virignia tax refund. These were not considered in answering these questions.		
	Must provide automated means to pass Oracle Financials invoice data to any proposed statewide system.		
	See Attachment_Financial_Management_Payments_39. Responses to 6, 8, 9, 10 15, 16 and 25 are based on March 2005 data. For 6, our percentage is less than 1%. Questions 9, 10 are unclear since payments are held at DOA pending due date. FTE data for question 42 relates to the creation of payments initiated vai FMS and excludes travel advances/reimbursement vouchers which are covered in the travel portion of the survey. Also note related to question 43, voucher information is collected from hundreds of locations around VDOT (too many to list in space provided).		
	Q4: stand-alone databases. Q9: vendor payments only. Q29: database capable of processing, but use CARS. Q32: only use CARS		
	All processing outside of the system is manual, no intergration between		

purchasing system eVA and CARS. No way to collect some of the data required by this survey such as how many payments are electronic or checks.

None.

Overall Caveat - Payments are made for DFP by DCJS under an MOU (#6
#5 - Rough estimate sans DCJS input
#15 - Dtat may only be avail. from DCJS or more prob. DOA
#16 No signif. or over arching problems are known
#17 & #18 - There is a peak in the FAll which coincides with massive ATL\Aid to Locality payments (Sec.38.2-401 COV) and a busyt-season relative to fire service training
#20 - Solely: Commonwealth AMX-SPC \and\ AMX-Travel Cd Acct
#21 + #22 + #23 - Causes for expedited paymts vary widely are are usual of unique circumstance
#26 et al via 1099s - we presuppose that any such need is accomplished centrall;y for us by DOA
#34 - respodnet ndoesn'rt have a clue what is being asked !

Question #4 - Our financial system is basically a front end load to CARS and also utilizes CARS and CIPPS downloaded data.

Question #12 - We believe this to be the case but are not certain.

Question #14 - We do not do this because due dates vary.

Question #16 - Not available at agency. This would have to come from DOA. We don't know whether a vendor is set up on EDI with DOA or not.

Question #40 & 41- Includes all payment types including travel reimbursements.

The response to all questions is based on changing the word agency to district in all cases.
#8 - information not available at the district level
#14 - Average transaction over the last six months
#15 - This information is not readily available at the district level
#16 - Moving vendors to EDI is handled at the central office level
#17 - distribution of payment is not handled at the district level

Total # of respondents **41**. Statistics based on **22** respondents; **0** filtered; **19** skipped.